

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

---

In re:

MN AIRLINES, LLC  
dba SUN COUNTRY AIRLINES,

Case No. 08-35197  
Chapter 11

Debtor.

---

In re:

MN AIRLINE HOLDINGS, INC.,

Case No. 08-35198  
Chapter 11

Debtor.

---

**NOTICE OF HEARING AND AMENDED MOTION TO  
IMPLEMENT CONFIRMED PLAN**

---

1. MN Airlines, LLC dba Sun Country Airlines and MN Airline Holdings, Inc. ("Debtor"), through its undersigned attorneys, moves the court for the relief requested below and gives notice of hearing.

2. The court will hold a hearing on this motion at **10:30 a.m. on February 16, 2011**, before the Honorable Robert J. Kressel, Courtroom 8 West, U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to this motion must be filed and served not later than **February 15, 2011**, which is the day before the time set for the hearing. **Unless a response opposing the motion is timely filed, the Court may grant the motion without a hearing.**

4. This Court has jurisdiction over this Motion under 28 U.S.C. §§157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This matter is a core proceeding. The petition commencing this case was filed on October 6, 2008 (the "Filing Date"). This case is now pending before this Court. The Debtors' Second Modified Plan (the "Second Plan") was

confirmed by order of the Court dated September 10, 2010.

5. This motion arises under 11 U.S.C. §1142. This motion is filed under Bankruptcy Rules 2002, 9013 and 9014 and Local Rule 9013. Debtor seeks an order to implement the Second Plan.

6. After the Second Plan was confirmed, the Debtors undertook to submit to the United States Department of Transportation (“DOT”) the information necessary to obtain approval of the new equity structure of the Debtors. U.S. law requires that foreign interests hold less than 25% of the voting equity of a domestic airline such as Sun Country. One of the White Box Interests, as defined in the Second Plan, is Sun Minnesota Foreign Holdings, LLC, which is entitled to a distribution of New Common Stock under the Second Plan.

7. The process of submitting the necessary information to DOT has been time consuming and difficult. The cooperation of White Box has been required. They have taken the position that the information requested is confidential and have not been willing to provide it to the Debtors. Some information has been provided to DOT through Washington counsel. While the Debtors believed all necessary information had been provided when the original motion was filed, the Debtors were not privy to the information and could not be certain that DOT’s requirements had been satisfied. DOT has recently advised the Debtors that additional information is necessary regarding the White Box entities and its review of the carrier’s citizenship is ongoing.

8. Section 10.1 of the Second Plan provides that the plan becomes effective only upon the occurrence of enumerated conditions precedent, all of which have occurred or will occur on the Effective Date except the following:

“The Debtors or the Reorganized Debtors, as applicable, shall have obtained all governmental and other regulatory approvals or rulings that may be necessary for

consummation of the Plan or that are required by law, regulation or order.”

While it is true that ultimate ownership of the Debtors is subject to review by DOT, the approval or ruling prior to plan implementation is not necessary since any violation of the foreign ownership rules could be corrected by other means, such as distribution of New Common Stock to a White Box Interest that is not foreign owned.

9. The delay in implementation of the Second Plan has caused the Debtors and creditors substantial harm. The Debtors have not been able to take advantage of fuel hedging opportunities, have not been able to renegotiate their credit card contracts to remove chapter 11 conditions, and have not been able to enter into interline agreements with other carriers which would be available once the plan is effective. In addition, certain legal and other professional fees which will cease on the Effective Date continue to accrue. Creditors have been pressing the Debtors for their cash distributions under the plan. The prejudice to them caused by the delay is obvious.

10. In addition, under the section 10.4 of the Second Plan, if the Effective Date has not occurred by March 9, 2011, 180 days after the confirmation order, the confirmation order will be vacated and the Debtors will be required to submit another plan. That alternative would be very undesirable to the Debtors and the substantial majority of creditors who voted in favor of the Second Plan.

11. The Debtors previously filed this motion to confirm the Third Plan in order to deal with the problems outlined above. Since then, the Debtors have received input from the Sun Entities and DOT that results in this Amended Motion. Moreover, subject to court approval in other cases, the Sun Entities and the Petters Interests have reached a settlement of the differences between them concerning the distributions to be made under the Second Plan. Court approval of

that settlement will result in dismissal of the appeal of the order confirming the Second Plan.

12. Under section 1142(b) of the Bankruptcy Code, the Debtors request entry of an order permitting the plan to go effective subject to withholding distribution of the New Common Stock otherwise distributable to Sun Minnesota Foreign Holdings, LLC and Sun Minnesota Domestic Holdings, LLC (the "Escrowed Shares") pending DOT approval, provided that until such approval is obtained, Whitebox Advisors, LLC may direct the sale or transfer of the Escrowed Shares to any other party acceptable to DOT as provided in the proposed order.

13. Since no aspect of the Second Plan has been implemented, it certainly has not yet been substantially consummated. The Debtors submit that modification of the plan to remove the condition precedent related to DOT approval as provided above is justified by the circumstances. Such a change will not affect DOT's jurisdiction or process. It will simply permit the Debtors and other parties in interest to proceed with implementation of the plan in all respects except that aspect that may concern DOT.

14. If necessary, the Debtors will call Stanley Gadek, the Debtors' CEO, and John Fredericksen, the Debtors' Vice President and General Counsel, in support of this motion.

WHEREFORE, the Debtors request that the Court enter an order to aid in implementation of the Second Plan as provided herein and award such other relief as the Court deems just and equitable.

Dated: February 11, 2011

RAVICH MEYER KIRKMAN  
McGRATH NAUMAN & TANSEY  
A PROFESSIONAL ASSOCIATION

By: /e/ Michael L. Meyer (72527)

4545 IDS Center, 80 South Eighth Street  
Minneapolis, MN 55402  
(612) 332-8511  
ATTORNEYS FOR DEBTOR

**VERIFICATION**

I, John S. Fredericksen, Debtor's Vice President and General Counsel, declare under penalty of perjury that the facts set forth in the foregoing Notice of Hearing and Amended Motion to Implement Confirmed Plan, are true and correct according to the best of my knowledge, information and belief.

Executed on: February 11, 2011



---

John S. Fredericksen

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

---

In re:

MN AIRLINES, LLC  
dba SUN COUNTRY AIRLINES,

Case No. 08-35197  
Chapter 11

Debtor.

---

**UNSWORN CERTIFICATE OF SERVICE**

---

I, Michael L. Meyer, declare under penalty of perjury that on February 11, 2011, copies of Debtor's:

1. Notice of Hearing and Amended Motion to Implement Confirmed Plan; and
2. Proposed Order to Implement Confirmed Plan;

were served by sending to each party a copy thereof as noted on the attached Service List.

Dated: February 11, 2011

/e/ Michael L. Meyer, #72527

ELECTRONIC  
SUN MINNESOTA DOMESTIC/FOREIGN LLC (UCC)  
C/O WHITEBOX ADVISORS LLC  
ATTN MICHAEL WIETECKI  
3033 EXCELSIOR BLVD STE 300  
MINNEAPOLIS MN 55416-4675

ELECTRONIC (UCC)  
MENZIES AVIATION  
ATTN JAMES H ARMSTRONG  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
8505 FREEPORT PARKWAY STE 100  
IRVING TX 75063

HALLMARK AVIATION SERVICES (UCC)  
ATTN JIM CHAPPELL  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
5757 W CENTURY B2 STE 860  
LOS ANGELES CA 90045

ELECTRONIC (UCC)  
AIRLINE PILOTS ASSOCIATION  
ATTN CAPTAIN TERRENCE A MATSON  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
2000PINE RIDGE DRIVE  
WEST ST PAUL MN 55118

ELECTRONIC (UCC)  
ELEVEN TWENTY LIMITED  
ATTN WILLIAM PAWLYSHYN, PRESIDENT  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
3700 FAIRWAY DRIVE  
WOODBURY MN 55125

ELECTRONIC  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
C/O FRUMAN JACOBSON  
SONNENSCHN NATH & ROSENTHAL LLP  
233 SOUTH WACKER DRIVE STE 7800  
CHICAGO IL 60606-6404

ELECTRONIC  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
C/O CAROLE NEVILLE  
SNR DENTON US LLP  
1221 AVENUE OF THE AMERICAS  
NEW YORK NY 10020-1089

ELECTRONIC  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
C/O LARRY B RICHE  
SPENCE RICKE SWEENEY & GERNES PA  
325 CEDAR STREET STE 600  
ST PAUL MN 55101

ELECTRONIC  
SABRE INC  
C/O STEPHEN C STAPLETON  
DYKEMA GOSSETT PLLC  
1717 MAIN STREET STE 2400  
DALLAS TX 75201

ELECTRONIC  
SARAH J WENCIL  
UNITED STATES TRUSTEE  
1015 U S COURTHOUSE  
300 SOUTH FOURTH STREET  
MINNEAPOLIS MN 55415

MINN DEPT OF REVENUE  
COLLECTION ENFORCEMENT  
551 BANKRUPTCY / P O 64447  
ST PAUL MN 55164

INTERNAL REVENUE SERVICE  
ATTN SPECIAL PROCEDURES  
WELLS FARGO PL STOP 5700  
30 EAST SEVENTH  
ST PAUL MN 55101

IRS DISTRICT COUNSEL  
650 GALTIER PLAZA  
380 JACKSON STREET  
ST PAUL MN 55101

US ATTORNEY  
600 U S COURTHOUSE  
300 SOUTH FOURTH STREET  
MINNEAPOLIS MN 55415

ELECTRONIC  
MN AIRLINES LLC dba SUN COUNTRY AIRLINES  
ATTN JOHN FREDERICKSEN  
1300 MENDOTA HEIGHTS ROAD  
MENDOTA HEIGHTS MN 55120

ELECTRONIC  
AIRLINE PILOTS ASSOCIATION  
C/O THOMAS G WALLRICH AND JOEL D NESSET  
HINSHAW & CULBERTSON LLP  
333 SOUTH SEVENTH STREET STE 2000  
MINNEAPOLIS MN 55402

ELECTRONIC  
AIRLINE PILOTS ASSOCIATION  
C/O PETER D DeCHIARA AND RICHARD M SELTZER  
COHEN WEISS AND SIMON LLP  
330 WEST 42<sup>ND</sup> STREET 25<sup>TH</sup> FLOOR  
NEW YORK NY 10036-6976

ELECTRONIC  
U S DEPARTMENT OF TRANSPORTATION  
ATTN DAMON WALKER  
damon.walker@dot.gov

ELECTRONIC  
INTL LEASE FINANCE CORPORATION  
ATTN GORDON B CONN JR  
AND CAROLE CLARK ISAKSON  
KALINA WILLS GISVOLD & CLARK PLLP  
6160 SUMMIT DRIVE STE 560  
MINNEAPOLIS MN 55430

ELECTRONIC  
TARRANT COUNTY  
C/O ELIZABETH WELLER  
LINEBARGER GOGGAN BLAIR & SAMPSON LLP  
2323 BRYAN STREET STE 1600  
DALLAS TX 75201

ELECTRONIC  
ACORN CAPITAL GROUP LLC  
C/O DANIEL C BECK  
WINTHROP & WEINSTINE PA  
225 SOUTH SIXTH STREET STE 3500  
MINNEAPOLIS MN 55402-4629

ELECTRONIC  
ACORN CAPITAL GROUP LLC  
C/O CHRISTOPHER A CAMARDELLO  
WINTHROP & WEINSTINE PA  
225 SOUTH SIXTH STREET STE 3500  
MINNEAPOLIS MN 55402 ELECTRONIC

UNITED STATES OF AMERICA  
C/O ANDREA HOROWITZ HANDEL  
U S DEPT OF JUSTICE / CIVIL DIVISION  
P O OFFICE BOX 875  
BEN FRANKLIN STATION  
WASHINGTON DC 20044

ELECTRONIC  
UNITED STATES OF AMERICA  
C/O ROYLENE A CHAMPEAUX  
600 U S COURTHOUSE  
300 SOUTH FOURTH STREET  
MINNEAPOLIS MN 55415

ELECTRONIC  
METROPOLITAN AIRPORTS COMMISSION  
C/O CONNIE A LAHN  
FAFINSKI MARK & JOHNSON PA  
400 FLAGSHIP CORPORATE CENTER  
775 PRAIRIE CENTER DRIVE  
EDEN PRAIRIE MN 55344

ELECTRONIC  
US BANK NATIONAL ASSOCIATION  
C/O STEVEN J HEIM  
DORSEY & WHITNEY LLP  
50 SOUTH SIXTH STREET STE 1500  
MINNEAPOLIS MN 55402-1498

ELECTRONIC  
GREATER ORLANDO AVIATION AUTHORITY  
C/O ROY S KOBERT  
BROAD AND CASSEL  
390 N ORANGE AVENUE STE 1400  
ORLANDO FL 32801

ELECTRONIC  
BUDDY'S KITCHEN INC  
C/O MICHAEL M GAVIN  
GAVIN OLSON WINTERS & TWISS LTD  
1017 HENNEPIN AVENUE  
GLENCOE MN 55336

ELECTRONIC  
DENVER INT'L AIRPORT  
C/O DOUGLAS JESSOP / J BRIAN FLETCHER  
JESSOP & COMPANY PC  
303 EAST 17<sup>TH</sup> AVENUE #930  
DENVER CO 80203

ELECTRONIC  
DENVER INT'L AIRPORT  
C/O LEE MARABLE  
AIRPORT LEGAL SERVICES  
8500 PENA BLVD STE 9810  
DENVER CO 80249

ELECTRONIC  
C I T LEASING CORPORATION  
C/O THOMAS J LALLIER  
FOLEY & MANSFIELD PLLP  
250 MARQUETTE AVENUE STE 1200  
MINNEAPOLIS MN 55401

ELECTRONIC  
C I T LEASING CORPORATION  
C/O MICHAEL EDELMAN / JOHN KARESH  
VEDDER PRICE PC  
1633 BROADWAY 47<sup>TH</sup> FLOOR  
NEW YORK NY 10019

ELECTRONIC  
GRAPEVINE-COLLEYVILLE ISD/CITY OF GRAPEVINE  
C/O ELIZABETH BANDA  
PERDUE BRANDON FIELDER COLLINS & MOTT  
P O BOX 13430  
ARLINGTON TX 76094-0430

ELECTRONIC  
AIR BP (DIV OF BP PRODUCTS NO AMERICA)  
C/O JAMES CARR / JENNIFER CHRISTIAN  
KELLEY DRYE & WARREN LLP  
101 PARK AVENUE  
NEW YORK NY 10178

ELECTRONIC  
FREESTONE LOW VOLATILITY PARTNERS LP  
C/O R FLEISCHER/ J SHEPARD  
PRYOR CASHMAN LLP  
410 PARK AVENUE  
NEW YORK NY 10022

ELECTRONIC  
FREESTONE LOW VOLATILITY QUALIFIED PARTNERS LP  
C/O R FLEISCHER/ J SHEPARD  
PRYOR CASHMAN LLP  
410 PARK AVENUE  
NEW YORK NY 10022

ELECTRONIC  
DARYLE L UPHOFF  
LINDQUIST & VENNUM PLLP  
4200 IDS CENTER  
80 SOUTH EIGHTH STREET  
MINNEAPOLIS MN 55402-2205

ELECTRONIC  
DOUGLAS KELLEY PETTERS TRUSTEE  
C/OJAMES A LODOEN  
LINDQUIST & VENNUM PLLP  
80 SOUTH EIGHTH ST STE 4200  
MINNEAPOLIS MN 55402-2205

ELECTRONIC(ECF)  
UCC OF PETTERS AVIATION LLC  
C/O ALLEN I SAEKS  
LEONARD STREET AND DEINARD  
150 SOUTH FIFTH STREET STE 2300  
MINNEAPOLIS MN 55402

ELECTRONIC  
UCC OF PETTERS AVIATION LLC  
C/O ROBERT T KUGLER  
LEONARD STREET AND DEINARD  
150 SOUTH FIFTH STREET STE 2300  
MINNEAPOLIS MN 55402

ELECTRONIC  
UCC OF PETTERS AVIATION LLC  
C/O JACOB B SELLERS  
LEONARD STREET AND DEINARD  
150 SOUTH FIFTH STREET STE 2300  
MINNEAPOLIS MN 55402

ELECTRONIC  
HARRIS COUNTY  
C/O JOHN P DILLMAN  
LINEBARGER GOGAN BLAIR & SAMPSON LLP  
P O BOX 3064  
HOUSTON TX 77253-3064

ELECTRONIC  
AMERICAN EXPRESS  
C/O JOSHUA DIVACK  
HAHN & HESSEN LLP  
488 MADISON AVENUE  
NEW YORK NY 10022

ELECTRONIC  
COUNTY OF RIVERSIDE, CALIFORNIA  
C/O MARTHA E. ROMERO  
ROMERO LAW FIRM  
BMR PROFESSIONAL BLDG.  
6516 BRIGHT AVENUE  
WHITTIER, CA 90601

ELECTRONIC  
EXPEDIA INC  
C/O MICHAEL J GEARIN  
K&L GATES LLP  
925 FOURTH AVENUE STE 2900  
SEATTLE WA 98104-1158

ELECTRONIC  
ELITE LANDINGS LLC  
C/O JAMES A RUBENSTEIN / CASS WEIL  
MOSS & BARNETT PA  
90 SOUTH SEVENTH STREET STE 4800  
MINNEAPOLIS MN 55402-4129

ELECTRONIC  
PETTERS AVIATION LLC  
C/O JAMES A RUBENSTEIN / CASS WEIL  
MOSS & BARNETT PA  
90 SOUTH SEVENTH STREET STE 4800  
MINNEAPOLIS MN 55402-4129

ELECTRONIC  
HOST INTERNATIONAL INC  
C/O KATHY BAILEY  
BAILEY LAW GROUP PC  
1615 L STREET NW STE 1350  
WASHINGTON DC 20036

ELECTRONIC  
MISSOURI DEPT OF REVENUE  
C/O STEVEN A GINTHER  
GENERAL COUNSELS OFFICE  
301 W HIGH STREET ROOM 670  
P O BOX 475  
JEFFERSON CITY MO 65105-0475

ELECTRONIC  
IRON MOUNTAIN INFORMATION MGMT INC  
C/O FRANK F McGINN  
BARTLETT HACKETT FEINBERG PC  
155 FEDERAL STREET 9<sup>TH</sup> FLOOR  
BOSTON MA 02110

ELECTRONIC  
TRAVELOCITY.COM LP  
C/O WESLEY T. GRAHAM  
HENSON & EFRON, P.A.  
220 S SIXTH STREET, SUITE 1800  
MINNEAPOLIS MN 55402-4503

ELECTRONIC  
TRAVELOCITY.COM LP  
C/O STEPHEN C STAPLETON  
DYKEMA GOSSETT PLLP  
1717 MAIN STREET, SUITE 2400  
DALLAS TX 75201

ELECTRONIC  
HONEYWELL INTERNATIONAL INC  
C/O DAVID M POITRAS  
JEFFER MANGELS BUTLER & MARMARO, LLP  
1900 AVENUE OF THE START, 7<sup>TH</sup> FLOOR  
LOS ANGELES CA 90067

ELECTRONIC  
HONEYWELL INTERNATIONAL INC  
C/O CHRISTOPHER A CAMARDELLO  
WINTHROP & WEINSTINE PA  
225 SOUTH SIXTH STREET STE 3500  
MINNEAPOLIS MN 55402

ELECTRONIC  
SAN DIEGO COUNTY REGIONAL A/P AUTHORITY  
ATTN EDWARD A CAHILL, ASST GEN COUNSEL  
3225 NORTH HARBOR DRIVE  
SAN DIEGO CA 92101

ELECTRONIC  
CITY AND COUNTY OF DENVER  
ATTN EUGENE J KOTTENSTETTE  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
201 WEST COLFAX AVENUE DEPT 1207  
DENVER CO 80202

ELECTRONIC  
AMERICAN AIRLINES INC  
ATTN KWANYU HELEN YU  
OR OFFICER, MANAGING OR GENERAL AGENT  
OR OTHER PERSON AUTHORIZED TO ACCEPT SERVICE  
P O BOX 619616 MD 5675  
DALLAS/FT WORTH AIRPORT TX 75261-9616

ELECTRONIC  
PETER MITCHELL, JOINT PROVISIONAL LIQUIDATOR  
OF STEWARDSHIP CREDIT ARBITRAGE FUND LTD  
C/O MACKENZIE L SHEA / K&L GATES LLP  
STATE STREET FINANCIAL CENTER  
ONE LINCOLN STREET  
BOSTON MA 02111

ELECTRONIC  
PETER MITCHELL, JOINT PROVISIONAL LIQUIDATOR  
OF STEWARDSHIP CREDIT ARBITRAGE FUND LTD  
C/O CHARLES A DALE III / K&L GATES LLP  
STATE STREET FINANCIAL CENTER  
ONE LINCOLN STREET  
BOSTON MA 02111

ELECTRONIC  
SUN MINNESOTA FOREIGN/DOMESTIC HOLDINGS  
C/O JOHN B ORENSTEIN  
ROSS & ORENSTEIN LLC  
100 SOUTH FIFTH STREET STE 1200  
MINNEAPOLIS MN 55402



ELECTRONIC  
ASSET BASED RESOURCE GROUP INC  
C/O MICHAEL A ROSOW  
WINTHROP & WEINSTINE PA  
225 SOUTH SIXTH STREET STE 3500  
MINNEAPOLIS MN 55402-4629

ELECTRONIC  
RANDALL L SEAVER, TRUSTEE OF PETTERS CAPITAL  
C/O RENEE C RUBISH / CHARLES W RIES  
MASCHKA RIEDY & RIES  
201 NORTH BROAD STREET STE 200  
P O BOX 7  
MANKATO MN 56002-0007

ELECTRONIC  
T JAY SALMEN  
C/O TIMOTHY D MORATZKA  
MACKALL CROUNSE & MOORE PLC  
901 MARQUETTE AVENUE STE1400  
MINNEAPOLIS MN 55402

ELECTRONIC  
CLAIMS RECOVERY GROUP LLC  
ATTN ALLISON R AXENROD  
92 UNION AVENUE  
CRESSKILL NJ 07626

ELECTRONIC  
SUN MINNESOTA FOREIGN/DOMESTIC HOLDINGS  
C/O STEPHEN M. MERTZ, ESQ.  
2200 WELLS FARGO CENTER  
90 SOUTH SEVENTH STREET  
MINNEAPOLIS, MN 55402-3901

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

---

In re:

MN AIRLINES, LLC  
dba SUN COUNTRY AIRLINES,

Bky. Case No. 08-35197  
Chapter 11

Debtor.

---

In re:

MN AIRLINE HOLDINGS, INC.,

Bky. Case No. 08-35198  
Chapter 11

Debtor.

---

**ORDER TO IMPLEMENT CONFIRMED PLAN**

---

Upon the motion by the Debtors, MN Airlines, LLC, dba Sun Country Airlines and MN Airline Holdings, Inc. ("MN Holdings"), for an order implementing the Debtors' Second Modified Plan of Reorganization dated September 10, 2010 (the "Confirmed Plan"), and the Court having determined that the relief requested in the motion is in the best interests of Debtor's estate and creditors and that the proposed modification of the plan is warranted under the circumstances,

**IT IS HEREBY ORDERED:**

1. The Effective Date of the Confirmed Plan is February 23, 2011;
2. Until such time as the U.S. Department of Transportation ("DOT") issues its final approval for Sun Minnesota Domestic Holdings, LLC and Sun Minnesota Foreign Holdings, LLC (collectively, the "Sun Entities") to be owners of the New Common Stock, or MN Holdings shall no longer be subject to the jurisdiction of the DOT because MN Holdings no longer owns an airline, MN Holdings shall hold in escrow any New Common Stock to be issued to the Sun Entities (the "Escrowed Shares"), provided that,

(i) for purposes of voting shares of the New Common Stock and determining rights to distribution on account of the New Common Stock, 1,000,000 shares of New Common Stock shall be deemed to have been issued, (ii) until such final approval by the DOT, Whitebox Advisors, LLC may direct the sale or transfer of the Escrowed Shares to any other party otherwise acceptable to the DOT but may complete such sale or transfer only upon written acceptance by DOT, and (iii) in the event MN Holdings shall make any distributions of cash or any other assets to any holders of New Common Stock on account of the New Common Stock, MN Holdings shall hold the Sun Entities' share of such distributions in escrow and, in the case of cash, shall hold such cash in an interest-bearing account.

3. At such time as MN Holdings is no longer subject to the jurisdiction of the DOT because MN Holdings no longer owns an airline, or DOT provides final approval of the Sun Entities or their transferees being holders of the New Common Stock, MN Holdings shall immediately distribute to the Sun Entities or their transferees their respective shares of the New Common Stock and any cash or other assets to which such shares of New Common Stock may be entitled

Dated:

---

Robert J. Kressel  
United States Bankruptcy Court